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October 3, 2002

Mr. Vernon A. Williams Secretary Surface Transportation Board Washington, D.C. 20423 RECORDATION NO.

OCT 3 ~ '02

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SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of an Order Rejecting Certain Unexpired Railcar Leases, dated July 12, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Equipment Lease and Lease Schedule Nos. 2 and 3 previously filed with the Commission under Recordation Number 17832.

The names and addresses of the parties to the documents covered by the enclosed order are:

Lessor:

Farm Credit Leasing

Services Corporation

1600 Colonnade 5500 Wayzata Blvd

Minneapolis, MN 55416-1252

Lessee:

Farmland Industries, Inc.

3315 North Oak Trafficway Kansas City, MO 64116 Mr. Vernon A. Williams October 3, 2002 Page Two

A description of the railroad equipment covered by the enclosed document

is:

Trust 75 ACF Railcars: FLIX 923201 – FLIX 923275
Trust 100 ACF Railcars: FLIX 933200 – FLIX 933299

A short summary of the document to appear in the index follows:

Order Rejecting Certain Unexpired Railcar Leases

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/anr Enclosures

RECORDATION NO. 27382-E-FILED

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#### SURFACE TRANSPORTATION BOARD

## IN THE UNITED STATES BANKRUPTCY COURT FOR THE WESTERN DISTRICT OF MISSOURI

In Re:	)	
	)	Chapter 11
FARMLAND INDUSTRIES, INC., et al.	)	
	)	Case No. 02-50557-JWV
Debtors.	)	Joint Administration

# ORDER REJECTING CERTAIN UNEXPIRED RAILCAR LEASES WITH FARM CREDIT LEASING

This matter constituting a core proceeding coming on to be heard on the motion ("Motion") of Farmland Industries, Inc., debtor in possession ("Farmland"), to reject certain unexpired railcar leases with Farm Credit Leasing ("Farm Credit") pursuant to section 365 of the Bankruptcy Code, due notice of the filing of the Motion and the conduct of this hearing having been given to all parties entitled thereto, the Court having considered the Motion, the Court having considered the record and having concluded that cause has been shown for the rejection of the unexpired leases, and the Court being fully advised in the premises:

It Hereby Is Ordered:

1. The Motion is granted.

2. The following described unexpired leases between Farm Credit, as lessor, and

Farmland, as lessee, are rejected as of the date hereof:

No. Cars	Car Type	Farmland Rider #	Service	Expiration	Per Car Monthly Rent
75	GP Tank	Trust 75ACF	UAN	12/01/07	\$423.00
100	GP Tank	Trust 100ACF	UAN	03/01/08	\$367.00

- 3. The automatic stay imposed by 11 U.S.C. " 362 is vacated to enable Farm Credit to take possession of the railcars in accordance with the terms and conditions set forth herein.
- 4. Since none of the 175 railcars were in a railcar pool as of May 31, 2002, and they were being leased exclusively by Farmland as of that date, Farmland shall notify the appropriate railroad and Farm Credit when railcars are available for pickup. The notices shall identify each railcar by number and location where it may be picked up (the "Notifications"). The Notification to Farm Credit shall be sent to CoBank, Attn: Bob Satrom, Fax No. (303) 224-2670, and to Farm Credit Leasing, Attn: Greg Bucher, Fax No. (763) 797-3555, as and when railcars become available for pick up by Farm Credit. Farmland shall use reasonable efforts to send Notifications to the appropriate railroad and Farm Credit in writing on or before October 10, 2002, or as soon as practicable, with respect to all 175 railcars. Farm Credit shall use reasonable efforts to take possession of and remove the applicable railcars within ten (10) business days of receiving a Notification, or as soon as practicable thereafter. As Farmland does not have storage track, Farm Credit may incur private car storage charges beginning ten

(10) business days after the date of Notification for railcars listed in such Notification.

- All costs after the date of this Order relating to unloaded railcars, including costs of delivery of the railcars to Farm Credit shall be borne solely by Farm Credit. Farmland shall not be liable for any such costs, except that such costs may be included in any pre-petition claim filed by Farm Credit with respect to the leases herein rejected.
- Farmland shall furnish, on or before November 10, 2002, a listing to Farm Credit of all railcars, subject to the above-described leases, setting forth the period during which railcars were loaded and used by Farmland during the period beginning (x) May 31, 2002 and ending (y) upon the unloading by Farmland of such railcars.
- Nothing herein contained shall: (a) affect or impair the rights of Farm Credit (and its successor in interest, CoBank) and Farmland with respect to unexpired leases or executory contracts existing between them not rejected by this order; or (b) affect or impair the rights of CoBank to file a general unsecured claim for its damages arising from the rejection of the above-described leases, or an administrative claim for rent to the extent any of the railcars have been used post-petition. Nothing herein contained shall affect or impair right of Farmland to contest any such claims.

Dated: July 12, 2002

#### /s/Jerry W. Venters UNITED STATES BANKRUPTCY JUDGE

#### **ORDER SUBMITTED BY:**

Laurence M. Frazen MO #31309 Mark G. Stingley MO #26701 Cynthia Dillard Parres MO #37826

**BRYAN CAVE LLP** 

1200 Main Street, Suite 3500 Kansas City, Missouri 64105 Telephone: (816) 374-3200 Facsimile: (816) 374-3300

Attorneys for Debtors and Debtors in Possession Frazen to Serve

### **ECF** DOCUMENT

I hereby attest and certify this is a printed copy of a document which was electronically filed with the United States Bankruptcy Court for the Western District of Missouri.

PL. BRUNE, CLERK